

DEC 19 2019

U.S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

NIKIA FRENCH,

Defendant.

4:19CR01035 AGF/SPM

INDICTMENT

COUNTS 1-25

The Grand Jury charges that:

BACKGROUND

At all times material to this indictment:

1. Commerce Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation.

2. For the purpose of describing the crimes charged in this indictment:

a. The "available balance" in a bank checking account is the total amount of legitimate funds (based on the deposit of money, the proper clearing of deposited checks through the bank on which the check is drawn, as well as the deposit or posting to the checking account of other legitimate financial instruments or credits), which a bank will make available to a checking account customer to cover the payment of checks drawn or other types of withdrawal, such as debit card transactions or ATM cash, on the account.

b. The "numerical balance" in a checking account is the total mathematical amount of credit posted as being on deposit in the account on any given day. This amount could

be greater than the “available balance” in a checking account, if, for example: (1) deposit items such as checks have not yet been presented for payment and honored by the banks or other financial institutions on which those deposit items are drawn, a process commonly known as clearing; or (2) there are checks that will be ultimately returned unpaid by the drawee bank to the bank into which they were deposited because they are drawn on insufficient legitimate funds to cause the drawee bank to honor the check when presented for payment; or (3) when the drawee bank refuses to honor checks drawn on its account upon its discovery that the balance in the account has been artificially and fraudulently inflated as a result of a scheme to defraud.

c. A check “clears” an account when the check is processed, honored, and paid by the drawee bank. If the drawee bank determines that there are not sufficient available funds in the account to cover the check, then the check never clears. Instead, the issuing bank returns the check and notifies the bank into which the check was deposited that there are not sufficient available funds in the checking account at the issuing bank, and, therefore, the check will not be honored.

THE SCHEME

3. From April 2017 until November 27, 2019, within the Eastern District of Missouri,

NIKIA FRENCH,

the Defendant herein, did willfully and knowingly execute a scheme to defraud Commerce Bank to obtain money or other property owned by or under the custody and control of Commerce Bank, by means of false and fraudulent pretenses, representations, and promises.

EXECUTION OF THE SCHEME

4. Nikia French would recruit individuals who had open checking accounts at Commerce Bank ("account holders"), who provided personal and account access information and/or access cards such that Nikia French could access the checking accounts of the account holders.

5. Nikia French would create or obtain counterfeit checks made payable to the account holders and deposit them into the account holder's checking account. Nikia French often made more than one fraudulent check deposit into the account at different bank branches, either on the same day or successive days.

6. Nikia French, prior to the counterfeit check being returned by the drawee bank as fraudulent, but after it was applied to the account holder's numerical balance, made cash withdrawals from the account either by debit card, ATM withdrawal, or counter withdrawal.

7. Once the banks determined the deposited checks were counterfeit and the accounts were flagged and no further withdrawals were allowed, Nikia French abandoned the account and proceeded to another account to execute the scheme.

THE FRAUDULENT CHECKS

8. The fraudulent checks involved in the criminal activity referenced in this indictment are fully described below. Each mention in the indictment to a check by number shall by reference and incorporation of the below list, be a complete description of the check.

Check #	Purported Issuer	Account #	Purported Bank	Check Date	Amount
1	The CEI Group, Inc.	xxxxxxx360	TD Bank	3/29/17	\$3,175.98
2	The CEI Group, Inc.	xxxxxxx360	TD Bank	3/29/17	\$2,896.85
3	Cody Properties, LLC	xxxxxxx993	First State Bank	4/4/17	\$3,162.00

Check #	Purported Issuer	Account #	Purported Bank	Check Date	Amount
4	Cody Properties, LLC	xxxxxxx993	First State Bank	4/4/17	\$2,938.37
5	Sports Barn, LLC	xxxxxxx676	Midwest Bank	6/29/17	\$1,876.132
6	Sports Barn, LLC	xxxxxxx676	Midwest Bank	7/6/17	\$2,109.18
7	Automatic Fire Protection, LLC	xxxxxxx435	First NBC	6/26/17	\$1,897.12
8	Charter Transportation, Inc.	xxxxxxx155	Cornerstone	10/1/18	\$4,287.32
9	Century	xxxxxxx019	Commerce	10/1/18	\$3,421.07
10	Progressive	xxxxxxx895	PNC Bank	7/3/19	\$3,121.65
11	Bay Area Gasket and Supply	xxxxxxx614	JP Morgan Chase	7/5/19	\$3,245.00
12	Mo. Lawyer Trust Acct. Foundation	xxxxxxx634	Central Bank	7/8/19	\$3,246.21
13	Progressive	xxxxxxx895	PNC Bank	7/16/19	\$2,865.00
14	Mo. Lawyer Trust Acct. Foundation	xxxxxxx634	Central Bank	7/15/19	\$2,856.00
15	MetLife Auto & Home	xxxxxxx209	Citibank	10/30/19	\$3,276.00
16	Pasha Hospitality	xxxxxxx683	Bank of America	10/30/19	\$3,245.00

THE CHARGES

9. On or about the dates listed below in Column A, Defendant, having devised the aforesaid scheme to defraud and to obtain money by means of false and fraudulent pretenses, representations, and promises, did knowingly execute and attempt to execute the scheme, in relation to a bank account held by an account holder listed in Column B, at a bank branch of Commerce Bank located in the Eastern District of Missouri, by performing the transaction listed in Column C, in the amount in Column D.

COUNT	A	B	C	D
1	4/7/17	B.K.	Deposit Fraudulent Check #1	\$3,175.98
2	4/7/17	B.K.	Deposit Fraudulent Check #2	\$2,896.85
3	4/10/17	B.K.	Deposit Fraudulent Check #3	\$3,162.00
4	4/10/17	B.K.	Deposit Fraudulent Check #4	\$2,938.37
5	7/7/17	E.W.	Deposit Fraudulent Check #5	\$1,876.12
6	7/7/17	E.W.	Deposit Fraudulent Check #6	\$2,109.18
7	7/8/17	E.W.	Deposit Fraudulent Check #7	\$1,897.12

COUNT	A	B	C	D
8	10/2/18	A.B.	Deposit Fraudulent Check #8	\$4,287.32
9	10/2/18	A.B.	Cash Withdrawal	\$1,000.00
10	10/2/18	A.B.	Cash Withdrawal	\$1,000.00
11	10/3/18	A.B.	Deposit Fraudulent Check #9	\$3,421.07
12	10/3/18	A.B.	Cash Withdrawal	\$100.00
13	7/3/19	B.R.	Deposit Fraudulent Check #10	\$3,121.65
14	7/3/19	B.R.	Cash Withdrawal	\$1,000.00
15	7/5/19	B.R.	Deposit Fraudulent Check #11	\$3,245.00
16	7/5/19	B.R.	Cash Withdrawal	\$1,000.00
17	7/8/19	B.R.	Deposit Fraudulent Check #12	\$3,246.21
18	7/8/19	B.R.	Cash Withdrawal	\$1,500.00
19	7/8/19	B.R.	Cash Withdrawal	\$500.00
20	7/16/19	R.S.	Deposit Fraudulent Check #13	\$2,865.00
21	7/16/19	R.S.	Deposit Fraudulent Check #14	\$2,856.00
22	7/16/19	R.S.	Cash Withdrawal	\$1,000.00
23	10/30/19	A.K.	Deposit Fraudulent Check #15	\$3,276.00
24	10/30/19	A.K.	Deposit Fraudulent Check #16	\$3,245.00
25	10/30/19	A.K.	Cash Withdrawal	\$1,000.00

All in violation of Title 18, United States Code, Section 1344.

A TRUE BILL.

FOREPERSON

JEFFREY B. JENSEN
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JOHN J. WARE, #40880MO
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